GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:4280
ANSWERED ON:12.12.2016
Ban on FDI in Tobacco Sector
Boianapalli Shri Vinod Kumar

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether there is a proposal to completely ban Foreign Direct Investment (FDI) in the tobacco sector as part of India"s commitments as a signatory to the World Health Organisation"s (WHO) Framework Convention on Tobacco Control; and

(b) if so, the details thereof along with the possible impact on farmers who are engaged in tobacco farming in the country?

Answer

???????? ??? ?????? ???????????? (????????? ??????)(??????? ??????? ???????)
THE MINISTER OF STATE (INDEPENDENT CHARGE)
OF THE MINISTRY OF COMMERCE & INDUSTRY
(SHRIMATI NIRMALA SITHARAMAN)

(a): As per the extant FDI policy on tobacco sector, FDI is prohibited in manufacturing of cigars, cheroots, cigarillos and cigarettes, of tobacco or of tobacco substitutes. FDI in trading of tobacco products is governed by general FDI policy on trading sector. As regards proposal to completely ban FDI in tobacco sector, it is stated that review of FDI policy on different sectors is a continuous process and the Government has not taken any decision in the matter.

(b): Does not arise.
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